# The Regional Municipality

METROPOLITAN
TORONTO
CENTRAL
LIBRARY
Municipal Reference

# of Hamilton - Wentworth

## Financial Report

for the year ended Dec.31

## 1982

THE REGIONAL
MUNICIPALITY OF
HAMILTON-WENTWORTH

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# PART I

## INTRODUCTORY

## CHAIRMAN

ANNE H. JONES

### TOWN OF ANCASTER

Mayor - Ann Sloat
Councillor - Robert E. Wade

### TOWN OF DUNDAS

Mayor - Joseph T. Bennett
Councillor - John A. Prentice

### TOWNSHIP OF FLAMBOROUGH

Mayor - Betty Ward
Councillor - Christopher Ward

### TOWNSHIP OF GLANBROOK

Mayor - Donald Weylie
Councillor - Helen Bell

### TOWN OF STONEY CREEK

Mayor - William Sears
Councillor - Ollie Thomson

### CITY OF HAMILTON

Mayor - William Powell
Councillor - Peter Peterson
Councillor - Paul Drage
Councillor - Vince Agro
Councillor - William McCulloch
Councillor - Pat Valeriano
Councillor - Brian Hinkley
Councillor - Donald Gray
Councillor - David Lawrence
Councillor - Fred Lombardo
Councillor - Reg Wheeler
Councillor - Ian Stout
Councillor - Paul Cowell
Councillor - Henry Merling
Councillor - James Bethune
Councillor - Ken Edge
Councillor - James MacDonald

The Regional Municipality of Hamilton-Wentworth is ideally situated half-way between Metropolitan Toronto and the American border. Geographically, it is probably one of the most beautiful areas in the world. Through it runs the famous Niagara escarpment - and on its edge is one of the finest inland harbours in Canada.

Established as a Metropolitan area on January 1, 1974, the Region has now completed its ninth year of operation. It had the good fortune to be an amalgamation of communities which were sound and viable, with a good tax base. The Region has carefully built upon that base, reducing per capita debt and creating reserves which now make it possible to do even very major projects on a "pay-as-you-go" basis.

With its good transportation linkages - its growing acreage of serviced industrial land - it is becoming more and more attractive to businesses on the lookout for a new location.

The major urban centre - the City of Hamilton - has been involved in a renewal program, and can now boast of a Civic Centre second to none, with its fine City Hall and Board of Education building, complemented by an Art Gallery, Theatre, Convention Centre, new Central Library and Market, highrise towers and major shopping areas. A major arena is in the planning stages at the present time.

Downtown Hamilton is not just new buildings - glass - concrete - brick - and steel. The city has wisely preserved the architectural history of the area

around and furthermore, has made allowances for residential living in renovated older homes as well as in new apartments.

Five communities around the City of Hamilton make up the rest of the Region.

Ancaster has preserved its older section as a Heritage Village, and is rapidly becoming one of the favourite residential areas - not only because of its older, distinguished houses, but also because of its flourishing new subdivisions. This has not prevented Ancaster, however, from establishing a very well planned industrial park, ideally located on a major transportation corridor.

Flamborough, while being more rural and agricultural in nature, is famous for its home of harness racing, Flamboro Downs - its Lion Safari, one of the finest tourist attractions in Canada - Wentworth Heritage Village, a fine example of pioneer lifestyle - its excellent residential areas - and a growing industrial park.

Dundas, known as the Valley Town - and the Cactus Capital of the world - is a thriving business centre - and probably has some of the finest facilities for culture and recreation of any small community in Canada.

Glanbrook is the site of the expanding International Airport with opportunities for industrial growth around it, and the home of one of Canada's major equestrian centres. A community with a solid agricultural base - productive farms - some of them highly specialized - and with its own special,

vibrant lifestyle.

Stoney Creek has long been recognized for its famous fruit farms - and many of these continue. Yet, it is now one of the fastest growing communities in the whole Region and has great potential for new industrial growth.

Our Hamilton Harbour provides not only an excellent location for our primary steel industry, which has so long been the mainstay of Hamilton employment and wealth; it allows for recreational activity as well. But the harbour is a business in itself - a solid business - good for this community and the whole area around and a convenience to those who locate their businesses in this Region. Last year, its tonnage amounted to 8,731,735.

The Region is responsible for supplying its citizens with all the major environmental services - pure water, sewers, sewage treatment, waste disposal. Its sophisticated solid waste disposal has been recognized for its efficiency throughout Canada. Part of that system involves SWARU - a resource recovery unit - which not only incinerates waste, but reclaims metal and produces steam, which in turn produces hydro. Hamilton-Wentworth pioneered in contracting out this operation to private industry - a decision which has proven to be effective and economical.

Homeowners and businessmen alike, are concerned always these days about security. Hamilton-Wentworth has every reason to be proud of its Regional Police Force which has been recognized nationally for its excellent record. The establishment of the 911 number - made possible through the whole area because of regionalization, not only gives citizens a larger sense of security, but indeed, has saved lives over these last few years.

Dofasco and Stelco and the other major industries have formed a really solid base for wealth in this community, and the Region has now branched more and more into secondary industry - an important and necessary development in this age of change.

Long since recognized as one of the finest areas for medical care, Hamilton-Wentworth offers excellent educational facilities - McMaster University, McMaster Health Sciences and Mohawk College. Furthermore, it has risen as a cultural giant, with its new theatre, and the cultural network throughout the community. Its Regional Arts Council has a membership of some 1,000 individuals and groups - which points out very clearly the amazing number of cultural groups operating in this community.

This Financial Report shows that "Yes, this is a viable metropolitan area" - "Yes, this is a solid government" - "Yes, this is a community managed effectively, efficiently and economically" - a good place in which to live, play, work and invest.

Regionally yours,

(Mrs.) Anne Jones

CO-ORDINATOR

C.T.C. Armstrong

REGIONAL CLERK

Mrs. Joan M. Gallipeau

COMMISSIONER OF ENGINEERING

J.R.G. Leach

COMMISSIONER OF FINANCE

G.W. Lawson

COMMISSIONER OF SOCIAL SERVICES

W.M. Carson

PERSONNEL DIRECTOR

L.R. Flemming

COMMISSIONER OF PLANNING

J.D. Thoms

ECONOMIC DEVELOPMENT DIRECTOR

J.D. Morand

REGIONAL SOLICITOR

R.M. Plant

CHIEF OF POLILCE

G.V. Torrance

CHIEF LIBRARIAN

I.M. Calbick

MEDICAL OFFICER OF HEALTH

A.I. Cunningham

PUBLIC TRANSIT MANAGER

H.W. Schwienbenz

DIRECTOR - ROYAL BOTANICAL GARDENS

A.P. Paterson

## DEPARTMENT OF FINANCE

G.W. LAWSON
COMMISSIONER OF FINANCE

T.J. Bunce
Director of Accounting

R.R. Letourneau
Director of Finance

R.H. Bryant
Director of Revenue

J.P. Bruzzese
Internal Auditor

D.F. Jervis
Co-ordinator - Systems

R.P. Male
Supervisor of Accounting

## AUDITORS

MacGillivray & Co., Chartered Accountants

## FISCAL AGENCY - MANAGERS

Wood Gundy Limited
(Lead Manager)

Dominion Securities Ames Limited

## BANKERS

Bank of Montreal

Canadian Imperial Bank of Commerce

## INTRODUCTION

1982 was a year of difficult economic conditions - with interest rates on long term municipal capital funds reaching over 18% for a brief period and inflation in double digits. In the latter part of the year unemployment rates began placing significant burdens upon the General Welfare Assistance Program as other sources of benefits and support systems were exhausted. In common with the rest of the economy, Hamilton-Wentworth Region experienced some slowing in economic growth. The ability of the Regional Municipality to weather this situation and remain in good financial condition is a testimony to the financial management which has prevailed since 1974 when the Region was formed and to the financial policies adopted by Regional Council.

As the year ended, and particularly in the months which have passed since then, it is apparent that a significant economic recovery is underway, and several major projects within the greater Hamilton area, such as the twinning of the Burlington Skyway Bridge, the City of Hamilton Trade Centre and Arena Complex, and the Hilton Hotel in the downtown core, are all beginning to get underway.

A number of other capital investments in the private sector have also been announced, and these, together with already announced expansion to the Go Transit System by the Government of Ontario into the Hamilton-Wentworth Region, expansion of the Mount Hope Airport, and the increased capital investment in the Hamilton Harbour by the Federal Government, should ensure that the results of the economic upturn benefit Hamilton-Wentworth and the Greater Hamilton Metropolitan area.

## FINANCIAL CONDITION

The Region reported its ninth continuous operating surplus, ending 1982 with a consolidated surplus of $1.4 million. This was due primarily to effective financial control in all areas of the Regional administration, with the Board of Police Commissioners contributing almost $1 million and revenues ending the year ahead of target.

Regional reserves and reserve funds continued to climb steadily, benefiting from high interest rates which continued through most of 1982. At $54.6 million, the reserves represent 53% of all outstanding debt, as compared with $41.8 million or 39% of outstanding debt at the end of 1981. The continuing improvement in this financial indicator is particularly important for the Region's ability to embark upon a pay-as-you-go policy for its capital program.

During 1982, a debenture issue was carried out in Canadian markets, (in an amount of $5 million) of which the proceeds were $0.9 million for Area Municipality capital purposes and $4.1 million for Regional purposes. The nature of the Region's debt structure is such that, even after taking account of this debenture issue, the Region's outstanding capital debt declined from $255 per capita at the end of 1981 to $250 per capita at the end of 1982. This completed a decline from $285 per capita at the beginning of the current five year period (1978 to 1982). Debenture charges as a proportion of the Region's overall expenditure continued to decline, from 12.7% at the end of 1978 to 8.5% at the end of 1982.

The Region's taxable assessment base continued to grow, with new assessment adding 3% during 1982, and the ratio of commercial/industrial assessment as a percentage of total assessment increasing slightly from 39.4% to 39.6%.

## FINANCIAL POLICIES

Regional Council has, since 1974, moved consistently away from the use of debenture financing for capital expenditure. Debentures have been avoided for even large road programs, and a combination of shortening debenture term from the more traditional ten to twenty year term to a more marketable five to ten year term, and the use of capital reserves for financing purposes, have contributed to the Region's enviable financial condition. As a result, the portion of the Region's operating revenue which must be earmarked for debt servicing has remained under control.

As an operating policy for the preparation of the 1983-1987 Capital Budget, Regional Council adopted the concept that external debt would no longer be required for capital purposes, but the program would be financed internally through a combination of contributions from operating revenue and advances from Regional reserves which would be repaid with interest. The 1983-1987 Capital Forecast and Financing Plan were accordingly prepared on this basis and adopted by Regional Council in April, 1983.

Progress is being made in integrating some dispersed administrative functions and the concept of program evaluation was given emphasis with the redeployment of existing resources in this direction and the approval in 1982 of an internal audit function for the Region. Corporate systems development will place a high emphasis on management systems as well as service systems which will be cost and service efficient. The implementation of a financial control and information software system during 1983/1984 will improve the quality of management information available to operating departments and Regional Committees and Council.

## CONCLUSION

The production of the Region's Financial Report owes a great deal to many people, particularly the staff in the Department of Finance, the administrative and financial staff in other Regional departments and boards, and the co-operation and professionalism of the Region's external auditors, MacGillivray & Company. Without the efforts of all these individuals, it would not have been possible to present the Region's Audited Financial Report, by February 25th, 1983, the earliest presentation in our nine year history.

G.W. Lawson

Treasurer and Commissioner of Finance

THE REGIONAL
MUNICIPALITY OF
HAMILTON-WENTWORTH

## SOURCE OF OPERATING REVENUE DOLLARS

(in millions of $)

| | 1982 | 1981 | 1980 |
|---|---|---|---|
| Ontario Grants | 81.8 | 67.0 | 58.6 |
| Property Taxation | 72.0 | 65.0 | 58.9 |
| Other Revenue | 19.5 | 16.2 | 14.0 |
| Sanitary Sewer Surcharge | 17.9 | 16.0 | 13.4 |
| Water Rates | 15.4 | 14.0 | 13.3 |
| TOTAL | 206.6 | 178.2 | 158.2 |

THE REGIONAL MUNICIPALITY OF HAMILTON-WENTWORTH

## DISTRIBUTION OF OPERATING EXPENDITURE DOLLARS

| | (in millions of $) 1982 | 1981 | 1980 |
|---|---|---|---|
| Environmental Services | 50.7 | 47.7 | 42.4 |
| Transportation Services | 48.2 | 33.7 | 31.8 |
| Social and Family Services | 45.6 | 39.0 | 34.6 |
| Protection to Persons and Property | 37.4 | 34.5 | 30.6 |
| General Government | 8.7 | 7.4 | 5.5 |
| Health Services | 7.0 | 6.2 | 5.5 |
| Planning and Development | 4.1 | 3.9 | 3.6 |
| Recreation and Cultural Services | 3.5 | 3.2 | 2.7 |
| Surplus | 1.4 | 2.6 | 1.5 |
| TOTAL | 206.6 | 178.2 | 158.2 |

**FINANCIAL (in thousands)**

| | | 1982 | 1981 | 1980 | 1979 | 1978 |
|---|---|---|---|---|---|---|
| CURRENT PROGRAM ACTIVITY | | | | | | |
| Analysis of Revenue | | | | | | |
| Property taxation | $ | 72,039 | 65,005 | 58,943 | 55,597 | 51,835 |
| Direct charges to ratepayers | | 33,289 | 29,984 | 26,783 | 24,942 | 22,698 |
| Provincial subsidies | | 81,764 | 67,001 | 58,561 | 48,689 | 46,171 |
| Fees and service charges | | 11,889 | 5,635 | 5,679 | 6,432 | 4,819 |
| Other revenue | | 4,962 | 9,025 | 7,335 | 4,817 | 3,992 |
| Surplus from previous year | | 2,645 | 1,528 | 988 | 1,060 | 1,013 |
| | $ | 206,588 | 178,178 | 158,289 | 141,537 | 130,528 |
| Analysis of Expenditure | | | | | | |
| Salaries and wages | $ | 65,075 | 56,996 | 49,809 | 43,993 | 40,263 |
| Goods and services | | 85,106 | 77,347 | 64,906 | 56,628 | 51,805 |
| Transfer payments | | 37,645 | 24,031 | 25,741 | 23,623 | 20,977 |
| Debt charges | | 17,376 | 17,159 | 16,305 | 16,305 | 16,423 |
| | $ | 205,202 | 175,533 | 156,761 | 140,549 | 129,468 |
| Accumulated Net Revenue at the end of the year | $ | 1,386 | 2,645 | 1,528 | 988 | 1,060 |
| CAPITAL PROGRAM ACTIVITY | | | | | | |
| Capital Expenditure | $ | 38,766 | 20,241 | 31,340 | 24,463 | 27,860 |
| Capital Financing | | | | | | |
| Contributions from own funds | $ | 23,882 | 16,570 | 17,830 | 29,835 | 9,586 |
| Long-term liabilities | | 5,713 | 10,485 | 81 | 214 | 9,891 |
| Ontario grants | | 1,109 | 2,567 | 725 | 7,792 | 572 |
| Other | | 3,001 | 1,030 | 506 | 492 | 670 |
| | $ | 33,705 | 30,652 | 19,142 | 38,333 | 20,719 |
| RESERVES at the end of the year | $ | 54,602 | 41,271 | 32,717 | 29,816 | 38,921 |
| NET LONG-TERM DEBT | | | | | | |
| General | $ | 39,937 | 41,773 | 40,631 | 43,544 | 43,215 |
| Municipal Enterprises | | 63,696 | 63,855 | 62,534 | 66,881 | 72,560 |
| | $ | 103,633 | 105,628 | 103,165 | 110,425 | 115,775 |
| CHARGES FOR NET LONG-TERM DEBT | | | | | | |
| General | $ | 6,889 | 6,758 | 6,853 | 7,023 | 7,091 |
| Municipal Enterprises | | 10,487 | 10,401 | 9,452 | 9,282 | 9,332 |
| | $ | 17,376 | 17,159 | 16,305 | 16,305 | 16,423 |

| TAXABLE ASSESSMENT (in thousands) | | 1982 | 1981 | 1980 | 1979 | 1978 |
|---|---|---|---|---|---|---|
| Residential and farm | $ | 689,147 | 672,446 | 671,858 | 674,738 | 664,716 |
| Commercial and industrial | | 309,551 | 298,166 | 295,130 | 282,549 | 279,988 |
| Business | | 143,190 | 138,383 | 137,693 | 131,443 | 132,957 |
| Total | $ | 1,141,888 | 1,108,995 | 1,104,681 | 1,088,730 | 1,077,661 |
| Commercial and industrial and business as a percentage of total | | 39.6% | 39.4% | 39.2% | 38.0% | 38.3% |
| **STATISTICAL** | | | | | | |
| Population | | 414,175 | 414,067 | 410,045 | 407,758 | 407,486 |
| Area in acres | | 280,764 | 280,764 | 280,764 | 280,764 | 280,764 |
| Employees | | | | | | |
| - Continuous full-time | | 2,271 | 2,151 | 2,071 | 2,105 | 2,091 |
| - Part-time | | 373 | 274 | 228 | 215 | 242 |
| Households | | 155,519 | 154,677 | 153,573 | 152,710 | 150,681 |
| **PER CAPITA INFORMATION** | | | | | | |
| Taxable assessment | $ | 2,757 | 2,678 | 2,694 | 2,670 | 2,645 |
| Current expenditure | $ | 495.44 | 423.92 | 382.30 | 344.69 | 317.72 |
| Net long-term debt | | | | | | |
| - General | $ | 96.43 | 100.88 | 99.90 | 106 79 | 106.05 |
| - Municipal enterprises | $ | 153.79 | 154.21 | 152.51 | 164.02 | 178.07 |
| | $ | 250.22 | 255.09 | 252.41 | 270.81 | 284.12 |
| Charges for net-long term debt | | | | | | |
| - General | $ | 16.63 | 16.32 | 16.71 | 17.22 | 17.40 |
| - Municipal enterprises | | 25.32 | 25.12 | 23.05 | 22.76 | 22.90 |
| | $ | 41.95 | 41.44 | 39.76 | 39.98 | 40.30 |

PART II

FINANCIAL STATEMENT

To the Chairman,
The Members of Council,
Inhabitants and Ratepayers
of the Regional Municipality
of Hamilton-Wentworth.

We have examined the consolidated balance sheet of The Regional Municipality of Hamilton-Wentworth as at December 31, 1982 and the consolidated statements of revenue and expenditure, capital operations, and reserve and reserve funds continuity and analysis of year-end position for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these consolidated financial statements present fairly the consolidated financial position of The Regional Municipality of Hamilton-Wentworth as at December 31, 1982 and the results of its operations for the year then ended in accordance with generally accepted accounting principles for Ontario municipalities applied on a basis consistent with that of the preceding year.

MacGillivray & Co.

MACGILLIVRAY & CO.
Chartered Accountants
Municipal Licence No.665/83

Hamilton, Ontario
February 25, 1983

THE REGIONAL MUNICIPALITY OF HAMILTON-WENTWORTH

## CONSOLIDATED STATEMENT OF REVENUE AND EXPENDITURE

| | 1982 Budget $ | 1982 Actual $ | 1981 Actual $ |
|---|---|---|---|
| ACCUMULATED NET REVENUE at the beginning of the year | 2,350 | 2,645 | 1,528 |
| EXPENDITURE | | | |
| General government | 8,405 | 8,722 | 7,421 |
| Protection to persons and property | 38,264 | 37,363 | 34,525 |
| Transportation services | 47,918 | 48,195 | 33,676 |
| Environmental services | 50,065 | 50,662 | 47,716 |
| Health services | 7,073 | 6,963 | 6,183 |
| Social and family services | 45,361 | 45,620 | 39,009 |
| Recreation and cultural services | 3,361 | 3,549 | 3,161 |
| Planning and development | 4,155 | 4,128 | 3,842 |
| TOTAL EXPENDITURE | 204,602 | 205,202 | 175,533 |
| REVENUE | | | |
| Requisition on area municipalities | 71,359 | 72,039 | 65,005 |
| Direct charges on ratepayers | 32,430 | 33,289 | 29,984 |
| Provincial subsidy | 81,187 | 81,764 | 67,001 |
| Other | 17,276 | 16,851 | 14,660 |
| TOTAL REVENUE | 202,252 | 203,943 | 176,650 |
| ACCUMULATED NET REVENUE at the end of the year | -- | 1,386 | 2,645 |
| Analysed as follows: | | | |
| General revenue | -- | 706 | 1,278 |
| Supplementary taxes deferred | -- | 680 | 1,367 |
| | -- | 1,386 | 2,645 |

The accompanying notes are an integral part of this financial statement

All amounts are in thousands of dollars

THE REGIONAL MUNICIPALITY OF HAMILTON-WENTWORTH

## STATEMENT OF CAPITAL OPERATIONS

| | 1982 $ | 1981 $ |
|---|---|---|
| UNEXPENDED CAPITAL FINANCING at the beginning of the year | (15,229) | (4,818) |
| CAPITAL EXPENDITURE | | |
| Protection to persons and property | 584 | 415 |
| Transportation services | 24,175 | 9,735 |
| Recreation and cultural services | 842 | -- |
| Environmental services | 12,771 | 9,686 |
| Planning and development | 394 | 405 |
| TOTAL CAPITAL EXPENDITURE | 38,766 | 20,241 |
| CAPITAL FINANCING | | |
| Contributions from the revenue fund | 22,362 | 13,202 |
| Contributions from reserves and reserve funds | 1,520 | 3,368 |
| Long term liabilities incurred | 5,713 | 10,485 |
| Provincial subsidies | 1,109 | 2,567 |
| Other | 3,001 | 1,030 |
| TOTAL CAPITAL FINANCING | (33,705) | (30,652) |
| UNEXPENDED CAPITAL FINANCING at the end of the year | (10,168) | (15,229) |

The accompanying notes are an integral part of this financial statement

All amounts are in thousands of dollars

THE REGIONAL MUNICIPALITY OF HAMILTON-WENTWORTH

## CONSOLIDATED BALANCE SHEET

| | 1982 $ | 1981 $ |
|---|---|---|
| **ASSETS** | | |
| **CURRENT ASSETS** | | |
| Cash and investments | 50,516 | 42,771 |
| Accounts receivable | 25,453 | 19,785 |
| Other current assets | 1,151 | 697 |
| | 77,120 | 63,253 |
| CAPITAL OUTLAY TO BE RECOVERED IN FUTURE YEARS | 114,925 | 109,383 |
| OTHER LONG-TERM ASSETS | 9,316 | 11,175 |
| | 201,361 | 183,811 |
| **LIABILITIES** | | |
| **CURRENT LIABILITIES** | | |
| Accounts payable and accrued liabilities | 23,737 | 18,181 |
| Other current liabilities | 3,730 | 3,093 |
| | 27,467 | 21,274 |
| NET LONG-TERM LIABILITIES | 96,447 | 99,637 |
| RESERVES | 54,602 | 41,271 |
| ACCUMULATED NET REVENUE AND UNAPPLIED CAPITAL RECEIPTS | 22,845 | 21,629 |
| | 201,361 | 183,811 |

The accompanying notes are an integral part of this financial statement

All amounts are in thousands of dollars

| STATEMENT OF CONTINUITY | 1982 $ | 1981 $ |
|---|---|---|
| AVAILABLE AT THE BEGINNING OF THE YEAR FOR FUTURE REGIONAL PURPOSES | 41,271 | 32,717 |
| REVENUE | | |
| Contributions from the revenue fund | 8,603 | 6,464 |
| Contributions from developers | 423 | 783 |
| Local recoveries | 1,443 | 126 |
| Proceeds, sales, fees, other | 1,972 | 4,076 |
| Interest earned | 7,549 | 6,422 |
| TOTAL REVENUE | 19,990 | 17,871 |
| EXPENDITURE | | |
| Transfers to the revenue fund | 370 | 1,136 |
| Transfers to the capital fund | 1,520 | 3,368 |
| Charges for long-term liability | 202 | 115 |
| General | 4,567 | 4,698 |
| TOTAL EXPENDITURE | 6,659 | 9,317 |
| AVAILABLE AT THE END OF THE YEAR FOR FUTURE REGIONAL PURPOSES | 54,602 | 41,271 |
| **RESERVE BALANCES - analysed as follows** | | |
| Working funds | 7,289 | 6,215 |
| Ministry of the Environment contingencies | 314 | 314 |
| Replacement of equipment | 1,957 | 1,280 |
| Sick leave | 2,048 | 1,424 |
| Insurance | 1,424 | 1,338 |
| Workmen's compensation | 103 | 212 |
| Capital Expenditure | | |
| - sanitary and storm sewers | 11,970 | 6,786 |
| - library and other recreation | 31 | 27 |
| - water | 3,994 | 2,691 |
| - industrial development | 1,478 | 1,200 |
| - other and unspecified | 9,843 | 8,755 |
| Lot levies and subdivider contribution | 4,408 | 3,430 |
| Debenture repayment | 8,876 | 6,994 |
| Exchange rate stabilization | 794 | 552 |
| Library current purposes | 73 | 53 |
| | 54,602 | 41,271 |

The accompanying notes are an integral part of this financial statement

All amounts are in thousands of dollars

1. ACCOUNTING POLICIES

The consolidated financial statements of the Regional Municipality of Hamilton-Wentworth have been prepared by management in accordance with accounting principles generally accepted for Ontario municipalities applied on a basis consistent with that of the preceding year except for the change outlined in Note 2. Since precise determination of many assets and liabilities depends on future events, the preparation of periodic financial statements necessarily involves the use of estimates which have been made using careful judgement. Following is a summary of the significant accounting policies of the Region:

(a) BASIS OF CONSOLIDATION

The financial statements reflect the consolidation of all assets, liabilities, revenue and expenditure of the Region including the Health Board, Library Board and Police Commission, with the exception of those relating to transportation services, the hospitals, the Royal Botanical Gardens and the trust funds.

Transportation services are provided by the Hamilton Street Railway Company and the Canada Coach Lines Limited. The deficits of the two companies, which are wholly owned by the Region, are included in the consolidated statement of revenue and expenditure.

(b) CAPITAL OUTLAY TO BE RECOVERED IN FUTURE YEARS

Capital outlay to be recovered in future years consists of capital expenditure financed by long-term debt and expenditure on capital projects which have yet to be financed. All other capital expenditure is financed through current operations, reserves and reserve funds, grants or contributions from developers and others.

(c) CHARGES FOR NET LONG-TERM LIABILILTIES

Principal and interest payments are charged against current operations as they are paid. Interest is accrued for the period from the last interest payment date to the end of the financial year.

In addition to the net long-term liabilities incurred directly, the Region has assumed the responsibility for the charges on debt originally incurred by local municipalities in respect of functions which are a Regional responsibility.

As well as incurring long-term debt for Regional purposes, the Region also incurs long-term debt on behalf of the Area Municipalities. The responsibility for raising the amounts required to service this debt lies with the respective Area Municipalities.

(d) RESERVES & RESERVE FUNDS

The Region follows the practice of segregating certain funds for specific purposes in reserves and reserve funds. These are established by resolution, by-law or under legislation and amounts are only spent in accordance with the terms of those resolutions, by-laws or legislative provisions.

2. CHANGES IN ACCOUNTING

During the year the Region changed its method of accounting for accrued expenditure. Debenture interest from date of last payment to the end of the year has been accrued.

The unapplied capital receipts for 1982 are included in the Balance Sheet under Accumulated net revenue and unapplied capital receipts. In preceding years the amount for this item was netted against Capital outlay to be recovered in future years. The comparative figure for 1981 has been adjusted to reflect this change.

3. CAPITAL OUTLAY TO BE RECOVERED IN FUTURE YEARS

Some capital outlay to be recovered in future years does not represent a burden on general Regional revenue, as it is to be recovered in future years from other sources.

| | 1982<br>$ | 1981<br>$ |
|---|---|---|
| Special charges on benefitting landowners | 7,262,000 | 5,815,000 |
| Water rates | 29,764,000 | 29,135,000 |
| Sewer rates | 33,932,000 | 34,720,000 |
| | 70,958,000 | 69,670,000 |

4. NET LONG-TERM LIABILITIES

| | 1982 $ | 1981 $ |
|---|---|---|
| Long-term lilabilities incurred by the Region | 97,886,000 | 95,533,000 |
| Long-term liabilities incurred by others for which the Region has assumed responsibility | 48,855,000 | 53,458,000 |
| Long-term liabilities incurred by the Region for which other governments have assumed responsibility | (41,840,000) | (42,257,000) |
| Ministry of the Environment debt retirement fund accumulated to the end of the year to retire the Region's related long-term liabilities | (1,268,000) | (1,105,000) |
| Long term liabilities issued by the region and held by reserve funds as investments amount to | (7,186,000) | (5,992,000) |
| Net long-term liabilities at the end of the year | 96,447,000 | 99,637,000 |

Included in Net Long-Term Liabilities is an amount of $14,329,000 (1981 - $15,232,000) payable in U.S.dollars and converted into Canadian dollars at the rate prevailing when the liability was incurred. If the liability is converted into Canadian dollars at the closing exchange rate prevailing at December 31, 1982 the Region's net long-term liabilities would be increased by approximately $3,496,000 (1981 - $2,894,000).

5. CHARGES FOR NET LONG-TERM LIABILITIES

(a) Total charges for the year for net long-term liabilities were as follows:

| | 1982 $ | 1981 $ |
|---|---|---|
| Principal payments including contributions to sinking funds and to the Ministry of the the Environment Debt Retirement Fund | 7,591,000 | 8,303,000 |
| Interest | 9,987,000 | 8,972,000 |
| | 17,578,000 | 17,275,000 |

| | | 1982 $ | 1981 $ |
|---|---|---|---|
| 5. (b) | Total charges for the year for net long-term liabilities were recovered as follows: | | |
| | General Regional revenue | 6,889,000 | 6,759,000 |
| | Sewer and water rates | 10,487,000 | 10,400,000 |
| | Reserves | 202,000 | 116,000 |
| | | 17,578,000 | 17,275,000 |

6. LONG-TERM INVESTMENTS

Long-term investments are reported on the Balance Sheet at face value. Income is adjusted for amortization of discount or premium on the investments on a straight line basis at the end of the year. The market value as at December 31, 1982 is $9,608,000.

7. CONTRACTUAL OBLIGATIONS

(a) The Region has agreements with the Ministry of the Environment and OHAP Agreements for various capital projects. The outstanding future obligations under these agreements amount to $17,345,000. The source of funds for future payments under these agreements will be through the Region's capital budget and related financing plan.

(b) The Region has outstanding contractual obligations of approximately $30,328,000 (1981 - $37,670,000) for capital works. Regional Council has authorized the financing of these obligations.

(c) The Region has executed lease agreements requiring annual payments chargeable to future years as they become due and payable. The only agreements of any significance are those for administrative office space. The estimated payment in each of the next five years is approximately $900,000 per year.

(d) The Region has entered into an agreement with Tricil Limited for the disposal of the Region's solid waste. The agreement escalates annually by the application of an annual inflation factor. The estimated cost in 1983 is $7,461,000. The agreement expires December 31, 1990.

8. LIABILITIES FOR VESTED SICK LEAVE BENEFITS

Under the Sick Leave Benefit plan for some employees, unused sick leave accumulates, and employees may become entitled to cash payments upon termination of service. The liability for these accumulated sick days, to the extent that they could be taken in cash, amounts to approximately $9,074,000 (1981 - $7,916,000) as at December 31, 1982.

An amount of $2,048,000 (1981 - $1,424,000) has been provided for this past service liability and is reported on the Balance Sheet as a Reserve.

## 9. LIABILITIES UNDER PENSION PLANS

(a) THE HAMILTON MUNICIPAL RETIREMENT FUND

Approximately 520 employees of the Region will be future beneficiaries under the terms and conditions of this pension fund. As at December 31, 1982 the fund is estimated to be fully funded.

(b) THE ONTARIO MUNICIPAL EMPLOYEES RETIREMENT FUND

Under pension agreement, the Region is liable for the cost of past service benefits for an amount of $1,040,000 (1981 - $1,195,000) at December 31, 1982. This amount is not reported on the Balance Sheet. The liability will be met by annual payments from operating revenue over the next 12 years.

## 10. CONTINGENT LIABILITIES

(a) Mechanics liens in the approximate amount of $3,000,000 have been registered against the lands involved in the Hamilton Secondary Stage Sewage Treatment Plant project.

The Ontario Court of Appeal has substantiated the validity of the liens against the City of Hamilton and the Region now stands in place of the City. The Supreme Court of Canada has subsequently confirmed the findings of the Ontario Court of Appeal. It is understood that the legal implications are complex and that any resulting liability could be paid by the Region, and/or the Province of Ontario, and/or the insurers of the general contractors.

Other legal actions are outstanding against the Region, the potential total liability for which is not significant.

(b) The Region has assumed the liability for any cost awarded under the Workmen's Compensation Act. An amount of $103,000 (1981 - $212,000) has been provided for this liability and is reported as a Reserve for Workmen's Compensation.

(c) The Region has $2,500,000 principal and $327,000 accrued interest to December 31, 1982 invested in Greymac Mortgage Corp. This Corporation is presently under the supervision of the Federal Superintendent of Insurance. The investments mature on March 15 and 16, 1983 and April 7 and 13, 1983. The status of the redemption of the debentures is not known at this time.

## 11. OUTSTANDING MATTERS

The Region and Area Municipalities have not resolved the matter of accountability for fines levied for violations under Regional By-laws. Such fines are presently included in the revenues of certain Area Municipalities.

PART III

ANALYTICAL SCHEDULES

for the year ended December 31,1982

| | Total Revenue $ |
|---|---|
| **Taxation** | |
| Requisitions on supporting municipalities | 72,039 |
| Direct water billings on ratepayers - own municipality | 15,427 |
| Sewer surcharge on direct water billings - own municipality | 17,862 |
| | 105,328 |
| **Ontario Unconditional Grants** | |
| Per capita general | 4,555 |
| Per capita police | 7,039 |
| Resource equalization | 4,766 |
| General support | 6,279 |
| | 22,639 |
| **Revenue for Specific Functions** | |
| Ontario specific grants | 59,125 |
| Canada specific grants | 1,642 |
| Other municipalities - grants and fees | 2,800 |
| Fees and service charges | 9,941 |
| | 73,508 |
| **Other Revenue** | |
| Licences and permits | 210 |
| Rents, concessions and franchises | 613 |
| Fines | 96 |
| Investment Income - from own funds | 787 |
| Sale of publications, equipment, etc. | 391 |
| Contributions from reserves and reserve funds | 371 |
| | 2,468 |
| TOTAL | 203,943 |

All amounts are in thousands of dollars

for the year ended December 31, 1982

| MUNICIPALITIES WHICH SUPPORT THE REGION | Percentage of Equalized Assessment* | Share of General Support Grant | Requisitions on: Requistion for General Purposes | Requisitions on: Land Drainage |
|---|---|---|---|---|
| | % | $ | $ | $ |
| Cities and Towns | | | | |
| Ancaster | 3.523 | 157 | 2,073 | -- |
| Dundas | 3.686 | 201 | 2,204 | -- |
| Hamilton | 75.580 | 5,114 | 43,881 | 2,978 |
| Stoney Creek | 9.198 | 501 | 5,399 | -- |
| Townships | | | | |
| Flamborough | 5.957 | 231 | 3,496 | -- |
| Glanbrook | 2.056 | 75 | 1,210 | -- |
| | 100,000 | 6,279 | 58,263 | 2,978 |

All amounts are in thousands of dollars

| supporting municipalities | | | | direct billings on ratepayers | | | |
|---|---|---|---|---|---|---|---|
| special purposes | | Share of | Total | Water Service Charges | | Sewer Service Charges | |
| Library | Transit Levy | Supp. Taxes | Requisi-tions | Residences | All Other Properties | Residences | All Other Properties |
| $ | $ | $ | $ | $ | $ | $ | $ |
| 152 | -- | 31 | 2,256 | 175 | 28 | 194 | 15 |
| -- | -- | 16 | 2,220 | 277 | 226 | 293 | 239 |
| -- | 9,224 | 459 | 56,542 | 5,617 | 7,757 | 6,631 | 9,157 |
| 396 | -- | 132 | 5,927 | 791 | 308 | 840 | 360 |
| 257 | -- | 34 | 3,787 | 110 | 65 | 96 | 37 |
| 89 | -- | 8 | 1,307 | 73 | -- | -- | -- |
| 894 | 9,224 | 680 | 72,039 | 7,043 | 8,384 | 8,054 | 9,808 |

THE REGIONAL MUNICIPALITY OF HAMILTON-WENTWORTH

# ANALYSIS OF OPERATING EXPENDITURE

for the year ended December 31, 1982

| | Salaries Wages Employee Benefits | Net Long Term Debt Charges | Materials, Supplies Services, Rents and Financial Expenses | Transfers To Own Funds | Other Transfers | Total Expenditures |
|---|---|---|---|---|---|---|
| | $ | $ | $ | $ | $ | $ |
| **General Government** | 3,956 | -- | 2,638 | 2,128 | -- | 8,722 |
| **Protection to Persons & Property** | | | | | | |
| Fire | 3 | -- | 1 | -- | -- | 4 |
| Police | 29,822 | 1,383 | 3,053 | 1,028 | -- | 35,286 |
| Conservation authority | -- | -- | -- | -- | 2,026 | 2,026 |
| Emergency measures | 42 | -- | 2 | 3 | -- | 47 |
| | 29,867 | 1,383 | 3,056 | 1,031 | 2,026 | 37,363 |
| **Transportation Services** | | | | | | |
| Roadways | 1,930 | 2,504 | 4,785 | 18,867 | -- | 28,086 |
| Winter control | 463 | -- | 2,510 | -- | -- | 2,973 |
| Transit | -- | -- | 17,136 | -- | -- | 17,136 |
| | 2,393 | 2,504 | 24,431 | 18,867 | -- | 48,195 |
| **Environmental Services** | | | | | | |
| Sanitary Sewer system | 3,715 | 5,190 | 5,800 | 4,331 | -- | 19,036 |
| Storm Sewer system | 315 | 1,219 | 41 | 1,846 | -- | 3,421 |
| Waterworks system | 3,856 | 5,297 | 6,438 | 1,886 | -- | 17,477 |
| Garbage Disposal | 437 | 953 | 7,307 | 231 | -- | 8,928 |
| Pollution control | 646 | -- | 134 | 20 | -- | 800 |
| Administration | 812 | -- | 170 | 18 | -- | 1,000 |
| | 9,781 | 12,659 | 19,890 | 8,332 | -- | 50,662 |
| **Health Services** | | | | | | |
| Public Health services | 4,477 | -- | 892 | 5 | -- | 5,374 |
| Public Health inspections and control | 678 | -- | 81 | -- | -- | 759 |
| Hospitals | -- | 830 | -- | -- | -- | 830 |
| | 5,155 | 830 | 973 | 5 | -- | 6,963 |
| **Social and Family Services** | | | | | | |
| General assistance | 3,416 | -- | 28,483 | 54 | 613 | 32,566 |
| Assistance to aged persons | 6,269 | -- | 1,637 | 194 | -- | 8,100 |
| Assistance to children | -- | -- | -- | -- | 1,579 | 1,579 |
| Day Nurseries | 732 | -- | 2,627 | 16 | -- | 3,375 |
| | 10,417 | -- | 32,747 | 264 | 2,192 | 45,620 |
| **Recreation & Cultural Services** | | | | | | |
| Libraries | 681 | -- | 610 | 58 | -- | 1,349 |
| Other cultural | 388 | -- | 113 | 6 | 1,694 | [illegible] |
| | 1,069 | -- | 723 | 64 | 1,694 | [illegible] |
| **Planning & Development** | | | | | | |
| Planning and zoning | 2,080 | -- | 217 | 37 | -- | 2,334 |
| Commercial and industrial | 357 | -- | 431 | 1,006 | -- | 1,794 |
| | 2,437 | -- | 648 | 1,043 | -- | 4,126 |
| | 65,075 | 17,376 | 85,106 | 31,734 | 5,912 | 205,203 |

All amounts are in thousands of dollars

THE REGIONAL MUNICIPALITY OF HAMILTON-WENTWORTH

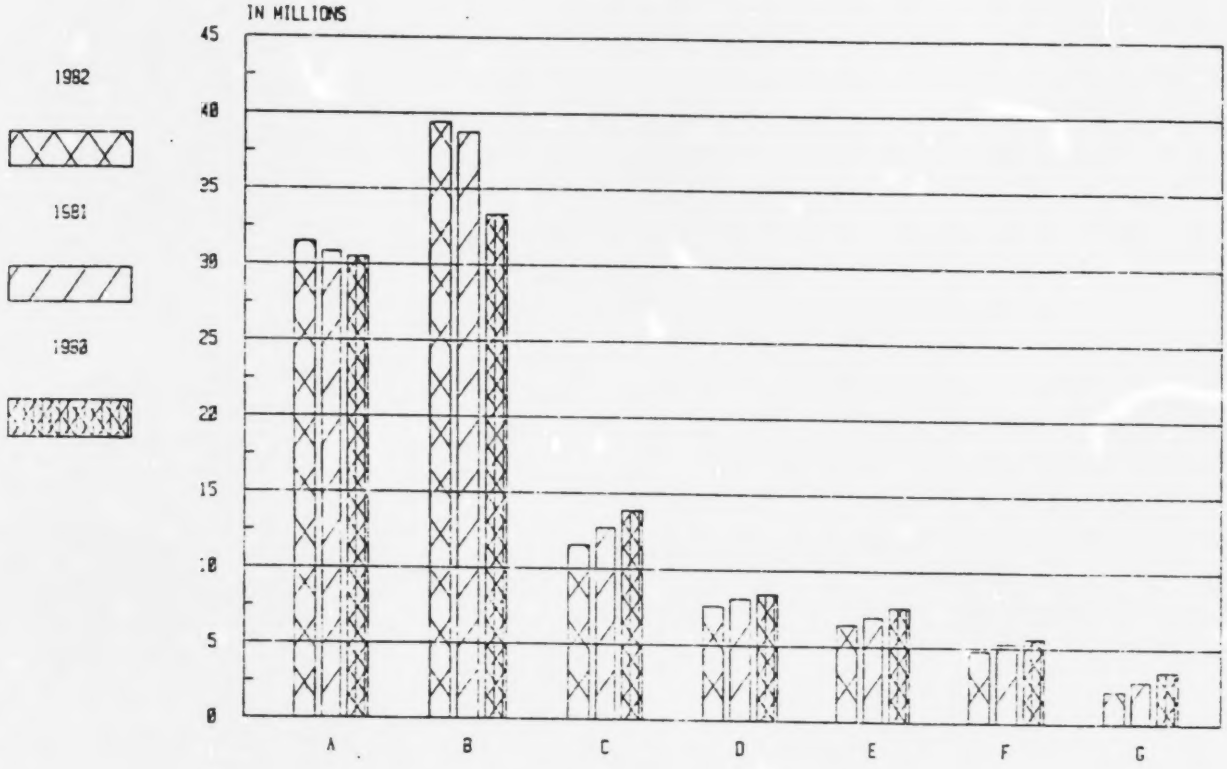
# ANALYSIS OF CAPITAL OPERATIONS

for the year ended December 31, 1982

| | $ |
|---|---|
| UNEXPENDED CAPITAL FINANCING at the beginning of the year | (15,229) |
| SOURCES OF FINANCING | |
| Contributions from own funds | |
| Revenue fund | 22,362 |
| Reserves and reserve funds | 1,520 |
| | 23,882 |
| Long-Term Liabilities Incurred | |
| Tile drainage and shoreline property assistance program | 141 |
| Serial debentures | 6,877 |
| | 7,018 |
| Grants and Loan Forgiveness | |
| Ontario | 1,109 |
| Canada | 2,187 |
| | 3,296 |
| Other Financing | |
| Prepaid special charges | 72 |
| Proceeds from sale of fixed assets | 49 |
| Rent | 153 |
| Contributions from other | 540 |
| | 814 |
| TOTAL SOURCES OF FINANCING | 35,010 |
| APPLICATIONS | |
| Own Expenditures - other | 38,766 |
| | 38,766 |
| TRANSFERS OF PROCEEDS FROM LONG TERM LIABILITIES TO: | |
| Other municipalities | 1,305 |
| | 1,305 |
| TOTAL APPLICATIONS | 40,071 |
| UNEXPENDED CAPITAL FINANCING at the end of the year | (10,168) |

All amounts are in thousands of dollars

# ANALYSIS OF DEBT OUTSTANDING




| | | 1982 | 1981 (in millions of $) | 1980 |
|---|---|---|---|---|
| Self Supporting | A - Waterworks | 31.6 | 30.9 | 30.6 |
| | B - Sanitary Sewer System | 39.4 | 38.8 | 33.4 |
| | C - Roadways | 11.5 | 12.7 | 13.9 |
| | D - Police | 7.6 | 8.1 | 8.5 |
| | E - Storm Sewer System | 6.5 | 7.0 | 7.6 |
| | F - Garbage Disposal | 4.8 | 5.3 | 5.7 |
| | G - Hospitals | 2.2 | 2.8 | 3.4 |
| | | 103.6 | 105.6 | 103.1 |

THE REGIONAL MUNICIPALITY OF HAMILTON-WENTWORTH

## CONTINUITY OF OTHER CURRENT LIABILITIES

| | Total | Remission of Taxes | Pension Deficiency |
|---|---|---|---|
| | $ | $ | $ |
| BALANCE at January 1, 1982 | 3,094 | 95 | 2,999 |
| REVENUE | | | |
| Contributions from revenue fund | 769 | 569 | 200 |
| Interest earned | 436 | -- | 436 |
| | 1,205 | 569 | 636 |
| EXPENDITURE | | | |
| Taxes written off | 569 | 569 | -- |
| | 569 | 569 | -- |
| BALANCE at December 31, 1982 | 3,730 | 95 | 3,635 |

All amounts are in thousands of dollars

THE REGIONAL MUNICIPALITY OF HAMILTON-WENTWORTH

## ANALYSIS OF ASSETS AND LIABILITIES

as at December 31, 1982

| | REVENUE FUND $ | LIBRARY BOARD $ | WATERWORKS $ | CAPITAL FUND $ | INTERNAL FUND ELIMINATIONS $ | CONSOLIDATED TOTALS $ |
|---|---|---|---|---|---|---|
| CURRENT ASSETS | | | | | | |
| Cash and investments | 50,964 | 1 | -- | -- | (449) | 50,516 |
| Accounts receivable | 23,981 | 58 | 5,112 | 10,167 | (13,865) | 25,453 |
| Other current assets | 740 | 15 | 396 | -- | -- | 1,151 |
| | 75,685 | 74 | 5,508 | 10,167 | (14,314) | 77,120 |
| CAPITAL OUTLAY TO BE RECOVERED IN FUTURE YEARS | -- | -- | -- | 114,925 | -- | 114,925 |
| OTHER LONG TERM ASSETS | 15,550 | -- | 503 | -- | (6,737) | 9,316 |
| TOTAL | 91,235 | 74 | 6,011 | 125,092 | (21,051) | 201,361 |
| CURRENT LIABILITIES | | | | | | |
| Accounts payable and accrued liabilities | 37,242 | 1 | 359 | -- | (13,865) | 23,737 |
| Other current liabilities | 3,730 | -- | | | | 3,730 |
| | 40,972 | 1 | 359 | -- | (13,865) | 27,467 |
| NET LONG TERM LIABILITIES | -- | -- | -- | 103,633 | (7,186) | 96,447 |
| RESERVES AND RESERVE FUNDS | 48,877 | 73 | 5,652 | -- | -- | 54,602 |
| ACCUMULATED NET REVENUE AND UNAPPLIED CAPITAL RECEIPTS | 1,386 | -- | -- | 21,459 | -- | 22,845 |
| TOTAL | 91,235 | 74 | 6,011 | 125,092 | (21,051) | 201,361 |

All amounts are in thousands of dollars

PART IV

OTHER FINANCIAL STATEMENTS

To the Chairman,
The Members of Council,
Inhabitants, and Ratepayers
of The Regional Municipality
of Hamilton-Wentworth.

We have examined the balance sheet of the Trust Funds of The Regional Municipality of Hamilton-Wentworth as at December 31, 1982 and the statement of continuity for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Trust Funds of The Regional Municipality of Hamilton-Wentworth as at December 31, 1982 and the results of their operations for the year then ended in accordance with generally accepted accounting principles for Ontario municipalities applied on a basis consistent with that of the preceding year.

MacGillivray & Co.

MACGILLIVRAY & CO.
Chartered Accountants
Municipal Licence No.665/83

Hamilton, Ontario
February 25, 1983

## STATEMENT OF CONTINUITY
for the year ended December 31, 1982

| | Total $ | Welfare Trusts $ | Macassa Lodge Trusts $ | Wentworth Lodge Trusts $ |
|---|---|---|---|---|
| BALANCE, at the beginning of the year | 2,177 | 11 | 1,527 | 639 |
| Capital Receipts | | | | |
| Residents' deposits | 210 | -- | 46 | 164 |
| Donations | 17 | -- | -- | 17 |
| Interest earned | 248 | -- | 189 | 59 |
| | 475 | -- | 235 | 240 |
| Expenditure | 5 | 3 | -- | 2 |
| BALANCE, at the end of the year | 2,647 | 8 | 1,762 | 877 |

## BALANCE SHEET
as at December 31, 1982

| | Total $ | Welfare Trusts $ | Macassa Lodge Trusts $ | Wentworth Lodge Trusts $ |
|---|---|---|---|---|
| ASSETS | | | | |
| Cash & short-term deposits | 2,214 | -- | 1,762 | 452 |
| Long-term securities | 425 | -- | -- | 425 |
| Other - | | | | |
| Due from revenue fund | 8 | 8 | -- | -- |
| | 2,647 | 8 | 1,762 | 877 |
| LIABILITIES | | | | |
| Other - | | | | |
| Due to revenue fund | 45 | -- | 45 | -- |
| Balance in fund | 2,602 | 8 | 1,717 | 877 |
| | 2,647 | 8 | 1,762 | 877 |

All amounts are in thousands of dollars

THE REGIONAL MUNICIPALITY OF HAMILTON-WENTWORTH

## LIBRARY BOARD
## STATEMENT OF REVENUE AND EXPENDITURE

| | 1982 Budget $ | 1982 Actual $ | 1981 Actual $ |
|---|---|---|---|
| ACCUMULATED NET REVENUE at the beginning of the year | -- | -- | -- |
| **EXPENDITURE** | | | |
| Salaries | 559,776 | 588,336 | 488,601 |
| Benefits | 60,344 | 57,215 | 52,325 |
| | 620,120 | 645,551 | 540,926 |
| Collections Development & Maintenance | 251,300 | 256,097 | 224,716 |
| Collections Organization & Management | 114,420 | 92,093 | 39,132 |
| Ontario Employment Incentive Program | -- | 37,025 | -- |
| Public Access | 133,300 | 132,834 | 101,305 |
| Public Assistance | 715 | 641 | 369 |
| Public Attendance Programs | 4,620 | 8,679 | 6,114 |
| Public Relations | 4,730 | 3,782 | 9,237 |
| Administation | 41,315 | 43,203 | 43,323 |
| Computer System | -- | 129,202 | 179,583 |
| Special Projects | -- | -- | 19,424 |
| Experience '82 ('81) | | -- | 2,630 |
| TOTAL EXPENDITURE | 1,170,520 | 1,349,107 | 1,165,759 |
| **REVENUE** | | | |
| Municipal Levy | 894,445 | 894,445 | 753,900 |
| General Support Grant | 45,250 | 47,587 | 39,222 |
| Provincial Grant | 185,300 | 209,782 | 182,901 |
| Ontario Employment Incentive Program | -- | 37,025 | -- |
| Canada Summer Youth Employment Grant | -- | 10,070 | -- |
| SCRLS Grants | -- | 875 | 300 |
| Rents | -- | 3,570 | 1,160 |
| Experience '82 ('81) Grant | 2,850 | 1,944 | 2,256 |
| Miscellaneous Grants | -- | 300 | 528 |
| Fines | 13,500 | 13,080 | 12,638 |
| A/V Fees | -- | 1,184 | 734 |
| Program Fees | 1,500 | 6,309 | 4,151 |
| Book Sales/Rentals | 2,000 | 405 | 2,229 |
| A/V Equipments Rentals | 3,975 | 2,600 | 2,630 |
| Photocopy Fees | 18,000 | 16,546 | 15,362 |
| Sundry Revenues | 3,700 | 1,358 | 2,146 |
| Region's Capital Reserve Advance Computer System | -- | 102,027 | 144,552 |
| Transfer from Reserves | -- | -- | 1,050 |
| TOTAL REVENUE | 1,170,520 | 1,349,107 | 1,165,759 |
| ACCUMULATED NET REVENUE at the end of the year | -- | -- | -- |

THE REGIONAL MUNICIPALITY OF HAMILTON-WENTWORTH

LIBRARY BOARD
BALANCE SHEET

| | 1982 $ | 1981 $ |
|---|---|---|
| **ASSETS** | | |
| **CURRENT ASSETS** | | |
| Cash | 720 | 720 |
| Accounts receivable | | |
| - own municipality | 58,172 | 52,406 |
| - other | 301 | 929 |
| Other current assets | | |
| - prepaid expenses | 14,623 | 12,708 |
| | 73,816 | 66,763 |
| **LIABILITIES** | | |
| **CURRENT LIABILITIES** | | |
| Accounts payable and accrued liabilities | 593 | 13,493 |
| **RESERVES** | 73,223 | 53,270 |
| | 73,816 | 66,763 |

THE REGIONAL MUNICIPALITY OF HAMILTON-WENTWORTH

LIBRARY BOARD
CHANGES IN FINANCIAL POSITION

| | 1982 $ | 1981 $ |
|---|---|---|
| SOURCE OF FUNDS | | |
| Total revenue | 1,349,007 | 1,164,709 |
| Total operating expenditure | (1,337,507) | (1,149,609) |
| Total provided from operations | 11,500 | 15,100 |
| Other | | |
| - interest earned on reserves | 7,967 | 5,184 |
| - film replacement reserve | 486 | 497 |
| TOTAL SOURCE OF FUNDS | 19,953 | 20,781 |
| USE OF FUNDS | | |
| Other | | |
| - film replacement reserve | -- | 40 |
| TOTAL USE OF FUNDS | -- | 40 |
| NET INCREASE IN WORKING CAPITAL | 19,953 | 20,471 |
| WORKING CAPITAL at the beginning of the year | 53,270 | 32,529 |
| WORKING CAPITAL at the end of the year | 73,223 | 53,270 |

THE REGIONAL MUNICIPALITY OF HAMILTON-WENTWORTH

# LIBRARY BOARD
# CONTINUITY OF RESERVES

for the year ended December 31, 1982

| | Total | Sick Leave | Vehicle | Catalogue Automation | Books | Film Replacement | Library Facilities | Equipment Repair Replacement | Working Funds | Video Material |
|---|---|---|---|---|---|---|---|---|---|---|
| | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ |
| Balance at the beginning of the year | 53,270 | -- | 10,637 | 19,762 | 7,088 | 532 | 7,497 | 754 | 7,000 | -- |
| Revenue | | | | | | | | | | |
| Contributions from current fund | 11,500 | 1,500 | 3,500 | 3,000 | -- | -- | -- | -- | -- | 3,500 |
| Proceeds from service fees | 486 | -- | -- | -- | -- | 486 | -- | -- | -- | -- |
| Interest | 7,967 | 55 | 2,299 | 3,312 | 103 | 148 | 1,091 | 110 | 594 | 255 |
| TOTAL REVENUE | 73,223 | 1,555 | 16,436 | 26,074 | 7,191 | 1,166 | 8,588 | 864 | 7,594 | 3,755 |
| Expenditure | | | | | | | | | | |
| Replacement | -- | -- | -- | -- | - | -- | -- | -- | -- | -- |
| Contributions to current revenue | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| TOTAL EXPENDITURE | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| BALANCE at the end of the year | 73,223 | 1,555 | 16,436 | 26,074 | 7,191 | 1,166 | 8,588 | 864 | 7,594 | 3,755 |

THE REGIONAL
MUNICIPALITY OF
HAMILTON-WENTWORTH

**AUDITOR'S REPORT**
**ROYAL BOTANICAL GARDENS**

To the Board of Governors
of the Royal Botanical Gardens

We have examined the balance sheet of the Royal Botanical Gardens as at December 31, 1982 and the schedules of revenue and expenditure (operating and maintenance) and revenue and expenditure (development, scientific and educational) for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the organization as at December 31, 1982 and the results of its operations for the year then ended in accordance with the accounting principles set out in the notes to the financial statements applied on a basis consistent with that of the preceding year.

MacGillivray & Co.

MACGILLIVRAY & CO.
Chartered Accountants
Municipal Licence No.665/83

Hamilton, Ontario
February 25, 1983

THE REGIONAL MUNICIPALITY OF HAMILTON-WENTWORTH

## ROYAL BOTANICAL GARDENS
## BALANCE SHEET

| | 1982 $ | 1981 $ |
|---|---|---|
| **ASSETS** | | |
| CURRENT ASSETS | | |
| Cash | 64,556 | 200 |
| Accounts receivable | | |
| - general | 69,554 | 115,644 |
| - Hamilton-Wentworth Region | 218,891 | 135,698 |
| | 353,001 | 251,542 |
| OTHER ASSETS | | |
| Due from Hamilton-Wentworth Region for the Headquarters Expansion Project | -- | 60,069 |
| Headquarters Expansion Program - Work-in-progress net of proceeds | -- | (60,069) |
| | -- | -- |
| TRUST FUNDS UNDER ADMINISTRATION | 830,917 | 773,995 |
| | 1,183,918 | 1,025,537 |
| **LIABILITIES, RESERVES, DEFICITS** | | |
| CURRENT LIABILITIES | | |
| Accounts payable | | |
| - general | 15,933 | 22,759 |
| Deferred revenues | 77,629 | 34,950 |
| | 93,562 | 57,709 |
| RESERVES | 255,614 | 188,548 |
| ACCUMULATED SURPLUS | | |
| from operations and maintenance | 800 | 5,099 |
| from development, scientific and educational | 3,025 | 186 |
| TOTAL ACCUMULATED SURPLUS | 3,825 | 5,285 |
| TRUST FUNDS UNDER ADMINISTRATION | 830,917 | 773,995 |
| | 1,183,918 | 1,025,537 |

The accompanying notes are an integral part of this financial statement

THE REGIONAL
MUNICIPALITY OF
HAMILTON-WENTWORTH

ROYAL BOTANICAL GARDENS
SUMMARY OF RESERVE BALANCES

| | 1982 $ | 1981 $ |
|---|---|---|
| Donations for specific purposes | 70,185 | 25,647 |
| Property acquisition | 43,377 | 26,375 |
| Education and interpretation | 5,850 | 5,000 |
| Plant collections | 3,500 | 2,500 |
| Accumulated sick leave | 83,234 | 77,707 |
| Replacement of equipment | 46,968 | 51,319 |
| Reserve for Maintenance - RBG Centre | 2,500 | -- |
| | 255,614 | 188,548 |

The accompanying notes are an integral part of this financial statement

THE REGIONAL MUNICIPALITY OF HAMILTON-WENTWORTH

## ROYAL BOTANICAL GARDENS
## SCHEDULE OF REVENUE AND EXPENDITURE
## (OPERATING AND MAINTENANCE)

| | 1982 $ | 1981 $ |
|---|---|---|
| **REVENUE** | | |
| Grants | | |
| Hamilton-Wentworth Region | 690,900 | 625,230 |
| Halton Region | 155,435 | 143,920 |
| | 846,335 | 769,150 |
| Other Revenue | | |
| Membership fees and contributions | 85,346 | 83,210 |
| Rents | 5,760 | 5,030 |
| Tea House proceeds | 10,104 | 10,509 |
| Weather services | 2,513 | 2,244 |
| Unclassified | 48,449 | 21,889 |
| | 152,172 | 122,882 |
| Transfers from Trust Funds and Reserves | | |
| General endowment funds | 5,000 | -- |
| Katie Osborne endowment funds | -- | 4,071 |
| Reserves | 9,958 | 20,359 |
| | 14,958 | 24,430 |
| TOTAL REVENUE | 1,013,465 | 916,462 |
| **EXPENDITURE** | | |
| Operation and maintenance - | | |
| Administration | 166,335 | 128,997 |
| Employee Benefits | 93,266 | 77,732 |
| Buildings | 172,676 | 184,822 |
| Tea House | 10,587 | 11,452 |
| General | 170,689 | 158,000 |
| Garden areas | 340,925 | 299,585 |
| Conservation area | 63,286 | 50,697 |
| TOTAL EXPENDITURE | 1,017,764 | 911,285 |
| NET SURPLUS (DEFICIT) for the year | (4,299) | 5,177 |
| SURPLUS (DEFICIT) beginning of the year | 5,099 | (78) |
| SURPLUS end of year | 800 | 5,099 |

The accompanying notes are an integral part of this financial statement

THE REGIONAL MUNICIPALITY OF HAMILTON-WENTWORTH

# ROYAL BOTANICAL GARDENS
## SCHEDULE OF REVENUE AND EXPENDITURE
## (DEVELOPMENT, SCIENTIFIC AND EDUCATIONAL)

| | 1982 $ | 1981 $ |
|---|---|---|
| **REVENUE** | | |
| Grants - Ontario Ministry of Culture and Recreation | | |
| Operating | 1,016,500 | 898,000 |
| Outreach program | 122,380 | 107,745 |
| Festival Ontario | 4,036 | 4,844 |
| Experience '82,'81 | 10,200 | 10,500 |
| Wintario | 130 | 10,750 |
| Winter Experience '82,'83 | 12,334 | -- |
| | 1,165,580 | 1,031,839 |
| Teaching Grants and Other Revenues | | |
| Fees - Outreach programs | 4,165 | 1,490 |
| Humber College | 1,470 | 1,575 |
| McMaster University | 3,000 | -- |
| University of Toronto | 2,912 | 2,600 |
| Rents - RBG Centre | 40,979 | 37,830 |
| Lecture and broadcast fees | 12,951 | 11,017 |
| Other fees | 699 | 500 |
| | 66,176 | 55,012 |
| Transfer from Trust Funds and Reserves | | |
| Palmer Memorial Trust | 17,478 | 15,584 |
| Reserves | 22,401 | 108,088 |
| Dunington Grubb Centre | 17,303 | 20,637 |
| | 57,182 | 144,309 |
| Grant - Federal Government | | |
| Young Canada Works Program | 28,507 | 15,843 |
| TOTAL REVENUE | 1,317,445 | 1,247,003 |
| **EXPENDITURE** | | |
| On-going development | | |
| Garden area | 100,465 | 147,447 |
| Conservation area | 51,153 | 55,946 |
| Major plant collections-acquisition & maintenance | 177,297 | 163,822 |
| | 328,915 | 367,215 |
| Scientific and research program | 406,186 | 359,385 |
| Education program | 156,564 | 139,621 |
| Share of operation and maintenance - R.B.G. Centre | 125,000 | 93,000 |
| Administration | 76,947 | 69,076 |
| | 764,697 | 661,082 |
| Special programs - | | |
| Outreach program | 126,324 | 120,433 |
| Festival Ontario - Experience'82,'81 | 14,236 | 15,344 |
| Youth Canada Works Program | 28,507 | 15,844 |
| Palmer memorial trust research program | 17,478 | 15,584 |
| Centre for Canadian historical horticult. studies | 17,305 | 20,627 |
| Visitors' Information project | -- | 13,000 |
| Acquisition of grand piano | -- | 18,000 |
| Winter Experience '82, '83 | 12,334 | -- |
| Nature Centre - extension & upgrading | 4,810 | -- |
| | 220,994 | 218,842 |
| TOTAL EXPENDITURE | 1,314,606 | 1,247,139 |
| NET SURPLUS (DEFICIT) for the year | 2,839 | (136) |
| SURPLUS beginning of year | 186 | 322 |
| SURPLUS end of year | 3,025 | 186 |

The accompanying notes are an integral part of this financial statement

THE REGIONAL
MUNICIPALITY OF
HAMILTON-WENTWORTH

ROYAL BOTANICAL GARDENS
TRUST FUNDS
BALANCE SHEET

| | 1982 $ | 1981 $ |
|---|---|---|
| ASSETS | | |
| Investments | 754,636 | 331,491 |
| Accounts receivable Hamilton-Wentworth Region | 76,281 | 442,504 |
| | 830,917 | 773,995 |
| TRUST FUNDS | | |
| Katie Osborne endowment funds | 59,666 | 52,291 |
| General endowment funds | 415,449 | 372,654 |
| Palmer Memorial Trust | 185,689 | 183,299 |
| Library endowment funds | 11,341 | 11,289 |
| Dunnington Grubb Foundation endowment | 158,772 | 154,462 |
| | 830,917 | 773,995 |

The accompanying notes are an integral part of this financial statement

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Fixed Assets -

Fixed assets are recorded on the balance sheet only in the event that they are acquired from the proceeds of long-term financing. Under these circumstances the fixed assets are set-up at values which equal the outstanding long-term liabilities incurred to finance them.

When fixed assets are acquired from current funds the costs are written off in the years of acquisition.

When fixed assets are incurred from special donations, neither the assets nor the proceeds are recorded in the accounts.

(b) Depreciation -

Depreciation is not provided in the accounts.

(c) Accrual Basis of Accounting -

Revenues and expenditures are recorded in the accounts on the accrual basis.

(d) Trust Funds and Reserves -

Transfers are made from the trust funds and reserves to the revenues as required to defray applicable costs included in the expenditures.

# AUDITOR'S REPORT
# THE HAMILTON STREET RAILWAY COMPANY

To the Shareholders of
The Hamilton Street Railway Company

We have examined the balance sheet of The Hamilton Street Railway Company as at December 31, 1982 and the statements of earnings, retained earnings, contributed surplus and reserves for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the company as at December 31, 1982 and the results of its operations for the year then ended in accordance with the accounting principles set out in the notes to the financial statements applied on a basis consistent with that of the preceding year.

MACGILLIVRAY & CO.
Chartered Accountants
Municipal Licence No.665/83

Hamilton, Ontario
February 11, 1983

THE REGIONAL MUNICIPALITY OF HAMILTON-WENTWORTH

## THE HAMILTON STREET RAILWAY
## BALANCE SHEET

| ASSETS | 1982 $ | 1981 $ |
|---|---|---|
| CURRENT ASSETS | | |
| Cash | 192,558 | 125,947 |
| Working funds advance to employees | 50,000 | 50,000 |
| Accounts receivable | 641,613 | 380,832 |
| Due from the Regional Municipality of Hamilton-Wentworth | 4,456,299 | 2,035,005 |
| Due from wholly-owned subsidiaries | 197,653 | 39,536 |
| Inventory of parts and supplies | 515,262 | 465,158 |
| Prepaid expenses | 266,338 | 243,858 |
| | 6,319,723 | 3,340,336 |
| INVESTMENTS IN SHARES OF WHOLLY-OWNED SUBSIDIARIES | | |
| The Canada Coach Lines, Limited | 916,500 | 916,500 |
| Safety Service & Adjusters Limited | 13 | 13 |
| | 916,513 | 916,513 |
| FIXED ASSETS | | |
| Land, buildings, and operating equipment | 22,012,250 | 20,564,523 |
| Less: accumulated depreciation | 12,787,218 | 11,628,845 |
| | 9,225,032 | 8,935,678 |
| | 16,461,268 | 13,192,527 |
| LIABILITIES | | |
| CURRENT LIABILITIES | | |
| Accounts payable and accrued liabilities | 5,948,373 | 2,773,753 |
| Liability for tickets and passes held by public | 334,754 | 272,033 |
| Estimated liability and reserve public liability claims | 364,362 | 387,650 |
| Current portion of long-term debt | 204,000 | 288,000 |
| | 6,851,489 | 3,721,436 |
| DEFERRED DEBT - less current portion (note 2) | 120,000 | 324,000 |
| SHAREHOLDER'S EQUITY | | |
| Capital Stock Authorized, issued and fully paid - $400,000 shares of no par value | 400,000 | 400,000 |
| Contributed surplus to finance capital additions | 6,281,655 | 6,125,324 |
| RETAINED EARNINGS | | |
| On acquisition | 1,567,119 | 1,567,119 |
| Since acquisition | (13,449) | (93,449) |
| Capital reserve for improvement and replacement | 1,254,454 | 1,148,097 |
| | 2,808,124 | 2,621,767 |
| | 9,489,779 | 9,147,091 |
| | 16,461,268 | 13,192,527 |

The accompanying notes are an integral part of this financial statement

THE REGIONAL MUNICIPALITY OF HAMILTON-WENTWORTH

## THE HAMILTON-STREET RAILWAY COMPANY
## STATEMENT OF EARNINGS

| | 1982 $ | 1981 $ |
|---|---|---|
| **REVENUE** | | |
| Direct revenues from operations - | | |
| Tickets redeemed | 3,126,953 | 2,652,026 |
| Monthly passes | 3,191,521 | 3,456,863 |
| Cash fares | 4,807,234 | 6,683,967 |
| Charters | 671,421 | 772,113 |
| Station and coach privileges | 131,721 | 140,595 |
| | 11,928,850 | 13,705,564 |
| Fare stabilization payments from The Regional Municipality of Hamilton-Wentworth | 15,653,274 | 14,400,000 |
| | 27,582,124 | 28,105,564 |
| **EXPENDITURE** | | |
| Direct cost of providing services - | | |
| Maintenance of equipment | 3,592,786 | 3,662,812 |
| Power, fuel and garage services | 2,967,170 | 3,327,404 |
| Transportation | 12,505,765 | 14,548,971 |
| Insurance, safety and accident | 759,666 | 815,421 |
| Taxes and licences | 994,494 | 1,040,691 |
| Administrative and general | 4,111,925 | 4,337,132 |
| Rentals (net) | (21,358) | (19,674) |
| Past service pension expense | 2,191,826 | -- |
| | 27,102,274 | 27,712,757 |
| Depreciation - | | |
| Vehicles | 1,085,530 | 1,200,587 |
| Buildings and equipment | 115,265 | 104,234 |
| | 1,200,795 | 1,304,821 |
| Deduct allocation from contributed surplus | 824,867 | 891,241 |
| | 375,928 | 413,580 |
| Finance charges (net) | (82,435) | 72,676 |
| | 27,395,767 | 28,199,013 |
| EXCESS OF REVENUE OVER EXPENSES before providing for the following | 186,357 | (93,449) |
| Deduct - transfer to reserve for improvement and replacement | 106,357 | -- |
| NET EARNINGS FOR THE YEAR | 80,000 | (93,449) |
| RETAINED EARNINGS SINCE ACQUISITION - BEGINNING OF YEAR | (93,449) | -- |
| RETAINED EARNINGS SINCE ACQUISITION - END OF YEAR | (13,449) | (93,449) |

The accompanying notes are an integral part of this financial statement

## CONTRIBUTED SURPLUS TO FINANCE CAPITAL ADDITIONS
for the year ended December 31, 1982

| | 1982 $ | 1981 $ |
|---|---|---|
| BALANCE AT BEGINNING OF YEAR | 6,125,324 | 6,877,038 |
| Add recovery under Province of Ontario's Transit Capital Assistance Program | 981,198 | 139,527 |
| Deduct allocation to offset depreciation on assets financed by above program | (824,867) | (891,241) |
| BALANCE AT END OF YEAR | 6,281,655 | 6,125,324 |

## STATEMENT OF CAPITAL RESERVE FOR IMPROVEMENT AND REPLACEMENT
for the year ended December 31, 1982

| | | |
|---|---|---|
| BALANCE AT BEGINNING OF YEAR | 1,148,097 | 1,148,097 |
| Add - transfer from earnings to provide funds to contribute to purchase price of land for new transit centre | 80,000 | -- |
| - funds for study commenced in 1982 (management operations, and physical plant study) | 26,357 | -- |
| BALANCE AT END OF YEAR | 1,254,454 | 1,148,097 |

## STATEMENT OF RETAINED EARNINGS ON ACQUISITION
for the year ended December 31, 1982

| | | |
|---|---|---|
| BALANCE AT BEGINNING AND END OF YEAR | 1,567,119 | 1,567,119 |

The accompanying notes are an integral part of this financial statement

## 1. SIGNIFICANT ACCOUNTING POLICIES

(a) Depreciation -

Fixed assets are recorded at historical cost. Depreciation is calculated on a straight-line basis over the estimated useful life of the assets, with the exception of service cars, which are depreciated on a declining balance basis.

(b) Inventory -

Inventory is valued at the lower of average cost and replacement cost

(c) Recognition of Revenue -

Ticket and passes revenues are recognized when the tickets and passes are honoured on the vehicle. This treatment gives rise to an estimated liabilty for tickets and passes which have been sold but which have not been redeemed or used at the end of the fiscal year.

(d) Contributed Surplus -

The company records as contributed surplus, grants received under the Province of Ontario's Transit Capital Assistance Program for 75% of the cost of certain capital expenditures.

Annual depreciation on 75% of the cost of approved assets has been charged against contributed surplus.

(e) Subsidiary Companies -

Consolidated financial statements have not been prepared, nor has the equity method of accounting for this investment been used, as it is considered such procedures would not provide more meaningful information to the municipal shareholder.

## 2. UNFUNDED PAST SERVICE PENSION LIABILITY

As at December 31, 1982, there exists an unrecorded and unfunded past service pension liability estimated at $8,116,339 which is being liquidated by monthly payments of $77,054 until June 30, 1995. In addition there is an experience deficiency of approximately $1,909,818 which will be liquidated by a lump-sum payment early in 1983. The company recorded $2,191,826 of the above obligations in current liabilities and the balance of $7,834,331 remains unrecorded.

3. DEFERRED DEBT

The deferred debt comprises demand loans payable to bankers for equipment purchases. The interest varies with the bank rate and at December 31, 1982 interest was charged at 12.5% per annum. Repayment of these loans is in accordance with the following schedule:

| | 1982 $ | 1981 $ |
|---|---|---|
| Being repaid at $14,000 per month | 84,000 | 252,000 |
| Being repaid at $10,000 per month | 240,000 | 360,000 |
| | 324,000 | 612,000 |
| Less instalments due in next twelve months shown as a current liability | 204,000 | 288,000 |
| | 120,000 | 324,000 |

Total aggregate payments required to retire existing deferred debt are as follows:

| | |
|---|---|
| 1983 | $204,000 |
| 1984 | 120,000 |
| | $324,000 |

4. RELATED PARTY TRANSACTIONS

The company shares facilities with its subsidiary, The Canada Coach Lines, Limited, and costs are allocated based on usage.

5. INTERRUPTION OF OPERATIONS

The employees, members of A.T.U. Local 107 and Local 1585 were on strike for the period June 10, 1982 to September 11, 1982, and June 28, 1982 to September 11, 1982, respectively. During this period all operations ceased.

6. COMPARATIVE FIGURES

The comparative figures have been adjusted to conform with current presentation.

# AUDITOR'S REPORT
# THE CANADA COACH LINES, LIMITED

To the Shareholders of
The Canada Coach Lines, Limited

We have examined the balance sheet of The Canada Coach Lines, Limited as at December 31, 1982 and the statements of earnings and retained earnings for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the company as at December 31, 1982 and the results of its operations for the year then ended in accordance with the accounting principles set out in the notes to the financial statements applied on a basis consistent with that of the preceding year.

MACGILLIVRAY & CO.
Chartered Accountants
Municipal Licence No 665/83

Hamilton, Ontario
February 11, 1983

THE REGIONAL MUNICIPALITY OF HAMILTON-WENTWORTH

## THE CANADA COACH LINES, LIMITED
## BALANCE SHEET

| | 1982 $ | 1981 $ |
|---|---|---|
| **ASSETS** | | |
| CURRENT ASSETS | | |
| Cash | 343,904 | 37,623 |
| Working funds advance to employees | 18,239 | 18,200 |
| Accounts receivable | 146,414 | 252,509 |
| Due from The Regional Municipality of Hamilton-Wentworth | 732,838 | 696,020 |
| Inventory - at average cost | 42,675 | 36,933 |
| Prepaid expenses | 66,670 | 56,792 |
| | 1,350,740 | 1,098,077 |
| FIXED ASSETS (at cost) | | |
| Land, buildings, and equipment | 3,123,932 | 3,137,985 |
| Less: accumulated depreciation | 2,666,738 | 2,543,328 |
| | 457,194 | 594,657 |
| FRANCHISES AND GOODWILL | 255,000 | 255,000 |
| | 2,062,934 | 1,947,734 |
| **LIABILITIES** | | |
| CURRENT LIABILITIES | | |
| Accounts payable and accrued liabilities | 384,501 | 427,311 |
| Unredeemed ticket liability held by public | 76,307 | 88,679 |
| Due to associated companies | 162,910 | 28,340 |
| Estimated liability and reserve for public liabilty claims | 57,428 | 56,616 |
| | 681,146 | 600,946 |
| SHAREHOLDER"S EQUITY | | |
| CAPITAL STOCK | | |
| Authorized - less redeemed 3,915 4% cumulative redeemable preference shares of the par value of $100.00 each 10,000 common shares of no par value | | |
| Issued and fully paid - 10,000 common shares | 10,000 | 10,000 |
| RETAINED EARNINGS | 1,371,788 | 1,336,788 |
| | 1,381,788 | 1,346,788 |
| | 2,062,934 | 1,947,734 |

The accompanying notes are an integral part of this financial statement

THE REGIONAL MUNICIPALITY OF HAMILTON-WENTWORTH

## THE CANADA COACH LINES, LIMITED
## STATEMENT OF EARNINGS

| | 1982 $ | 1981 $ |
|---|---|---|
| **REVENUE** | | |
| Passenger revenues - inter-urban | 1,846,669 | 2,837,552 |
| - chartered | 881,967 | 1,188,634 |
| Express | 132,793 | 212,112 |
| Miscellaneous | 760 | 501 |
| | 2,862,189 | 4,238,799 |
| **EXPENDITURE** | | |
| Maintenance of equipment | 625,256 | 667,341 |
| Fuel and garage service | 488,730 | 605,763 |
| Transportation | 1,508,670 | 2,038,075 |
| Station and terminal | 294,757 | 427,311 |
| Traffic promotion and advertising | 110,207 | 101,974 |
| Insurance, safety and accident | 102,221 | 119,605 |
| Taxes and licences | 153,871 | 184,218 |
| Administrative and general | 868,376 | 871,732 |
| Rental (net) | 65,394 | (33,105) |
| | 4,217,482 | 4,982,914 |
| GROSS OPERATING LOSS | 1,355,293 | 744,115 |
| **DEPRECIATION** | | |
| Vehicles | 132,263 | 106,261 |
| Buildings and equipment | 4,699 | 4,474 |
| | 136,962 | 110,735 |
| NET OPERATING LOSS | 1,492,255 | 854,850 |
| NET FINANCE (INCOME) | (32,427) | (20,896) |
| FOREIGN EXCHANGE LOSS | 23,010 | 12,066 |
| | 1,482,838 | 846,020 |
| Grant from The Regional Municipality of Hamilton-Wentworth | 1,482,838 | 846,020 |
| | -- | -- |

### STATEMENT OF RETAINED EARNINGS
for the year ended December 31, 1982

| | | |
|---|---|---|
| RETAINED EARNINGS - Beginning of year | 1,336,788 | 1,336,788 |
| Proceeds from sale of Grayline, Niagara Falls, N.Y. | 35,000 | -- |
| RETAINED EARNINGS - end of year | 1,371,788 | 1,336,788 |

The accompanying notes are an integral part of this financial statement

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Depreciation -

Fixed assets are recorded at historical cost. Depreciation is calculated on a straight-line basis over the estimated useful life of the assets, with the exception of service cars, which are depreciated on a declining balance basis.

(b) Recognition of Revenue -

Ticket revenues are recognized when the tickets are honoured on the vehicle. This treatment gives rise to an estimated liability for tickets which have been sold but which have not been redeemed at the end of the fiscal year.

(c) Franchises and Goodwill -

The company has valued this asset at historical cost, and no amortization has been charged to operations.

2. RELATED PARTY TRANSACTIONS

The company shares facilities with its parent, The Hamilton Street Railway Company, and costs are allocated based on usage.

3. UNFUNDED PAST SERVICE PENSION LIABILITY

As at December 31, 1982 there exists an unrecorded and unfunded past service pension liablity estimated at $1,124,679, which is being liquidated by monthly payments of $10,772 until June 30, 1995.

4. INTERRUPTION OF OPERATIONS

The employees, members of A.T.U. Local 107 and Local 1585 were on strike for the period June 10, 1982 to September 11, 1982 and June 28, 1982 to September 11, 1982 respectively. During this period all operations ceased.